

Auditing Procedures Report

Issued under P.A. 2 of 1968, as amended and P.A. 71 of 1919, as amended.

Local Unit of Government Type <input type="checkbox"/> County <input type="checkbox"/> City <input type="checkbox"/> Twp <input type="checkbox"/> Village <input type="checkbox"/> Other		Local Unit Name	County
Fiscal Year End	Opinion Date	Date Audit Report Submitted to State	

We affirm that:

We are certified public accountants licensed to practice in Michigan.

We further affirm the following material, "no" responses have been disclosed in the financial statements, including the notes, or in the Management Letter (report of comments and recommendations).

YES
NO

Check each applicable box below. (See instructions for further detail.)

1. ☐ ☐ All required component units/funds/agencies of the local unit are included in the financial statements and/or disclosed in the reporting entity notes to the financial statements as necessary.
2. ☐ ☐ There are no accumulated deficits in one or more of this unit's unreserved fund balances/unrestricted net assets (P.A. 275 of 1980) or the local unit has not exceeded its budget for expenditures.
3. ☐ ☐ The local unit is in compliance with the Uniform Chart of Accounts issued by the Department of Treasury.
4. ☐ ☐ The local unit has adopted a budget for all required funds.
5. ☐ ☐ A public hearing on the budget was held in accordance with State statute.
6. ☐ ☐ The local unit has not violated the Municipal Finance Act, an order issued under the Emergency Municipal Loan Act, or other guidance as issued by the Local Audit and Finance Division.
7. ☐ ☐ The local unit has not been delinquent in distributing tax revenues that were collected for another taxing unit.
8. ☐ ☐ The local unit only holds deposits/investments that comply with statutory requirements.
9. ☐ ☐ The local unit has no illegal or unauthorized expenditures that came to our attention as defined in the *Bulletin for Audits of Local Units of Government in Michigan*, as revised (see Appendix H of Bulletin).
10. ☐ ☐ There are no indications of defalcation, fraud or embezzlement, which came to our attention during the course of our audit that have not been previously communicated to the Local Audit and Finance Division (LAFD). If there is such activity that has not been communicated, please submit a separate report under separate cover.
11. ☐ ☐ The local unit is free of repeated comments from previous years.
12. ☐ ☐ The audit opinion is UNQUALIFIED.
13. ☐ ☐ The local unit has complied with GASB 34 or GASB 34 as modified by MCGAA Statement #7 and other generally accepted accounting principles (GAAP).
14. ☐ ☐ The board or council approves all invoices prior to payment as required by charter or statute.
15. ☐ ☐ To our knowledge, bank reconciliations that were reviewed were performed timely.

If a local unit of government (authorities and commissions included) is operating within the boundaries of the audited entity and is not included in this or any other audit report, nor do they obtain a stand-alone audit, please enclose the name(s), address(es), and a description(s) of the authority and/or commission.

I, the undersigned, certify that this statement is complete and accurate in all respects.

We have enclosed the following:	Enclosed	Not Required (enter a brief justification)		
Financial Statements	<input type="checkbox"/>			
The letter of Comments and Recommendations	<input type="checkbox"/>			
Other (Describe)	<input type="checkbox"/>			
Certified Public Accountant (Firm Name)		Telephone Number		
Street Address		City	State	Zip
Authorizing CPA Signature <i>Hennrich A. Berthiaume</i>	Printed Name		License Number	

SWAN CREEK TOWNSHIP
Saginaw County, Michigan

FINANCIAL STATEMENTS
March 31, 2007

TOWNSHIP OF SWAN CREEK

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& COMPANY

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INDEPENDENT AUDITORS' REPORT

To the Township Board
Township of Swan Creek
Saginaw County, Michigan

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Township of Swan Creek, as of and for the year ended March 31, 2007, which collectively comprise the Township's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Township of Swan Creek's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Township of Swan Creek, as of March 31, 2007, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

The budgetary comparison schedules as identified in the table of contents are not a required part of the basic financial statements but are supplemental information required by the accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquires of management regarding the methods of measurement and presentation of the required supplemental information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township of Swan Creek's basic financial statements. The accompanying other supplemental information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. The other supplemental information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The Township has not presented a Management's Discussion and Analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not a required part of, the financial statements.

Berthiaume & Co.

May 11, 2007

BASIC FINANCIAL STATEMENTS

TOWNSHIP OF SWAN CREEK

STATEMENT OF NET ASSETS

March 31, 2007

	<i>Governmental</i>	<i>Business-type</i>	
	<i>Activities</i>	<i>Activities</i>	<i>Total</i>
Assets:			
Cash and cash equivalents	\$ 781,041	\$ 451,256	\$ 1,232,297
Investments	292,149	285,199	577,348
Receivables	47,692	82,344	130,036
Inventory	-	9,898	9,898
Prepaid expenses	7,660	-	7,660
Restricted cash and cash equivalents	-	49,460	49,460
Capital assets:			
Nondepreciable capital assets	121,322	-	121,322
Depreciable capital assets, net	141,335	2,690,803	2,832,138
Other	-	35,631	35,631
Total assets	<u>1,391,199</u>	<u>3,604,591</u>	<u>4,995,790</u>
Liabilities:			
Accounts payable and accrued expenses	85,064	14,697	99,761
Long-term liabilities:			
Due within one year	-	20,000	20,000
Due in more than one year	-	80,000	80,000
Total liabilities	<u>85,064</u>	<u>114,697</u>	<u>199,761</u>
Net assets:			
Invested in capital assets, net of related debt	262,657	2,590,803	2,853,460
Restricted for:			
Debt service	-	49,460	49,460
Unrestricted	<u>1,043,478</u>	<u>849,631</u>	<u>1,893,109</u>
Total net assets	<u>\$ 1,306,135</u>	<u>\$ 3,489,894</u>	<u>\$ 4,796,029</u>

The accompanying notes are an integral part of these financial statements.

TOWNSHIP OF SWAN CREEK

STATEMENT OF ACTIVITIES

Year Ended March 31, 2007

	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Net (Expense) Revenue</u>
Functions/Programs					
PRIMARY GOVERNMENT:					
<i>Governmental activities:</i>					
General government	\$ 216,956	\$ 30,316	\$ 1,495	\$ 6,850	\$ (178,295)
Public safety	133,825	9,142	1,107	-	(123,576)
Public works	201,466	85,870	4,176	-	(111,420)
Community and economic development	5,771	4,365	-	-	(1,406)
Recreation and culture	25,888	600	-	-	(25,288)
Total governmental activities	<u>583,906</u>	<u>130,293</u>	<u>6,778</u>	<u>6,850</u>	<u>(439,985)</u>
<i>Business-type activities:</i>					
Water	<u>262,044</u>	<u>266,643</u>	<u>-</u>	<u>14,850</u>	<u>19,449</u>
Total business-type activities	<u>262,044</u>	<u>266,643</u>	<u>-</u>	<u>14,850</u>	<u>19,449</u>
Total primary government	<u>\$ 845,950</u>	<u>\$ 396,936</u>	<u>\$ 6,778</u>	<u>\$ 21,700</u>	<u>\$ (420,536)</u>

The accompanying notes are an integral part of these financial statements.

	<i><u>Governmental</u></i> <i><u>Activities</u></i>	<i><u>Business-type</u></i> <i><u>Activities</u></i>	<i><u>Total</u></i>
<i>Changes in net assets:</i>			
Net (Expense) Revenue	\$ (439,985)	\$ 19,449	\$ (420,536)
General revenues:			
Taxes:			
Property taxes, levied for general purpose	74,861	-	74,861
Property taxes, levied for fire protection	112,582	-	112,582
Payment in lieu of property taxes	40	-	40
Franchise taxes	18,781	-	18,781
Grants and contributions not restricted to specific programs	161,092	-	161,092
Unrestricted investment earnings	42,819	22,865	65,684
Special item - Gain on sale of capital asset	<u>785</u>	<u>-</u>	<u>785</u>
Total general revenues, contributions and special items	<u>410,960</u>	<u>22,865</u>	<u>433,825</u>
Change in net assets	(29,025)	42,314	13,289
Net assets, beginning of year	<u>1,335,160</u>	<u>3,447,580</u>	<u>4,782,740</u>
Net assets, end of year	<u>\$ 1,306,135</u>	<u>\$ 3,489,894</u>	<u>\$ 4,796,029</u>

TOWNSHIP OF SWAN CREEK

GOVERNMENTAL FUNDS

BALANCE SHEET

March 31, 2007

	<i>General Fund</i>	<i>Refuse Fund</i>	<i>Total Governmental Funds</i>
Assets:			
Cash and cash equivalents	\$ 559,635	\$ 221,406	\$ 781,041
Investments	292,149	-	292,149
Taxes receivable	11,937	-	11,937
Accounts receivable	-	6,030	6,030
Accrued interest receivable	3,277	-	3,277
Due from other governmental units	26,448	-	26,448
Prepaid expenditures	-	7,660	7,660
Total assets	<u>\$ 893,446</u>	<u>\$ 235,096</u>	<u>\$ 1,128,542</u>
Liabilities and Fund Balances:			
Liabilities:			
Accounts payable	\$ 3,317	\$ 13,315	\$ 16,632
Accrued expenses	10,711	-	10,711
Due to other governmental units	6,799	-	6,799
Deposits payable	50,922	-	50,922
Total liabilities	<u>71,749</u>	<u>13,315</u>	<u>85,064</u>
Fund balances:			
Reserved for:			
Prepaid expenditures	-	7,660	7,660
Unreserved:			
General fund	821,697	-	821,697
Special revenue funds	-	214,121	214,121
Total fund balances	<u>821,697</u>	<u>221,781</u>	<u>1,043,478</u>
Total liabilities and fund balances	<u>\$ 893,446</u>	<u>\$ 235,096</u>	<u>\$ 1,128,542</u>

The accompanying notes are an integral part of these financial statements.

TOWNSHIP OF SWAN CREEK

RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL FUNDS TO NET ASSETS OF GOVERNMENTAL ACTIVITIES

March 31, 2007

Total fund balances for governmental funds			\$ 1,043,478
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Total net assets reported for governmental activities in the statement of
of net assets is different because:

Capital assets used in governmental activities are not financial resources
and therefore are not reported in the governmental funds.

Governmental capital assets	314,816	
Less accumulated depreciation	<u>(52,159)</u>	<u>262,657</u>

Net assets of governmental activities			<u><u>\$ 1,306,135</u></u>
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The accompanying notes are an integral part of these financial statements.

TOWNSHIP OF SWAN CREEK

GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

For the Year Ended March 31, 2007

	<i>General Fund</i>	<i>Refuse Fund</i>	<i>Total Governmental Funds</i>
Revenues:			
Property taxes	\$ 209,500	\$ -	\$ 209,500
Licenses and permits	29,766	-	29,766
State grants	176,810	-	176,810
Charges for services	4,219	85,870	90,089
Fines and forfeits	247	-	247
Interest and rents	37,827	5,592	43,419
Other revenue	16,814	-	16,814
Total revenues	<u>475,183</u>	<u>91,462</u>	<u>566,645</u>
Expenditures:			
Current			
General government	208,435	-	208,435
Public safety	133,825	-	133,825
Public works	117,489	83,817	201,306
Community and economic development	5,771	-	5,771
Recreation and culture	21,387	-	21,387
Capital outlay	31,877	-	31,877
Total expenditures	<u>518,784</u>	<u>83,817</u>	<u>602,601</u>
Excess (deficiency) of revenues over expenditures	(43,601)	7,645	(35,956)
Fund balances, beginning of year	<u>865,298</u>	<u>214,136</u>	<u>1,079,434</u>
Fund balances, end of year	<u>\$ 821,697</u>	<u>\$ 221,781</u>	<u>\$ 1,043,478</u>

The accompanying notes are an integral part of these financial statements.

TOWNSHIP OF SWAN CREEK

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

March 31, 2007

Net change in fund balances - total governmental funds \$ (35,956)

Total change in net assets reported for governmental activities in the statement
of activities is different because:

Governmental funds report capital outlays as expenditures. However, in the
statement of activities, the cost of those assets is depreciated over their
estimated useful lives and reported as depreciation expense.

Capital outlay	28,391	
Less depreciation expense	<u>(9,696)</u>	18,695

Governmental funds report proceeds from the sale of assets as a revenue.

However, in the statement of activities, these proceeds are recorded net
of the depreciated cost of the asset.

(11,764)

Change in net assets of governmental activities \$ (29,025)

The accompanying notes are an integral part of these financial statements.

TOWNSHIP OF SWAN CREEK

PROPRIETARY FUND STATEMENT OF NET ASSETS

March 31, 2007

	<u>Major Enterprise Fund</u>
	<u>Water Fund</u>
Assets:	
Current assets:	
Cash and cash equivalents	\$ 451,256
Investments	285,199
Accounts receivable	23,837
Special assessments receivable	14,068
Accrued interest receivable	3,509
Inventory	9,898
Total current assets	<u>787,767</u>
Noncurrent assets:	
Restricted cash and cash equivalents	49,460
Special assessments receivable	40,930
Capital assets:	
Depreciable capital assets, net	2,690,803
Investment in Water Authority	<u>35,631</u>
Total noncurrent assets	<u>2,816,824</u>
Total assets	<u>3,604,591</u>
Liabilities:	
Current liabilities:	
Accounts payable	8,743
Accrued expenses	4,854
Deposits payable	1,100
Current long-term debt	<u>20,000</u>
Total current liabilities	<u>34,697</u>
Noncurrent liabilities:	
Long-term debt	<u>80,000</u>
Total noncurrent liabilities	<u>80,000</u>
Total liabilities	<u>114,697</u>
Net assets:	
Invested in capital assets, net of related debt	2,590,803
Restricted for:	
Debt service	49,460
Unrestricted	<u>849,631</u>
Total net assets	<u>\$ 3,489,894</u>

The accompanying notes are an integral part of these financial statements.

TOWNSHIP OF SWAN CREEK

PROPRIETARY FUND

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS

Year Ended March 31, 2007

	<u>Major Enterprise Fund</u>
	<u>Water Fund</u>
Operating revenues:	
Charges for services	\$ 258,212
Penalties	3,836
Other	<u>4,595</u>
Total operating revenues	<u>266,643</u>
Operating expenses:	
Personnel	26,896
Fringe benefits	3,084
Supplies	6,612
Contracted services	47,575
Purchase of water	105,605
Mileage	146
Dues and membership fees	325
Education and training	36
Printing and publishing	231
Repairs and maintenance	8,660
Depreciation	<u>56,490</u>
Total operating expenses	<u>255,660</u>
Operating income (loss)	<u>10,983</u>
Non-operating revenues (expenses);	
Interest income	18,483
Interest income earned on special assessments	4,382
Capital contributions - Connection fees	14,850
Interest expense	<u>(6,384)</u>
Total non-operating revenues (expenses)	<u>31,331</u>
Net income (loss)	42,314
Net assets, beginning of year	<u>3,447,580</u>
Net assets, end of year	<u>\$ 3,489,894</u>

The accompanying notes are an integral part of these financial statements.

TOWNSHIP OF SWAN CREEK

PROPRIETARY FUND

STATEMENT OF CASH FLOWS

For the Year Ended March 31, 2007

	<u>Major Enterprise Fund</u>
	<u>Water Fund</u>
Cash flow from operating activities:	
Cash received from customers	\$ 267,540
Cash payments to employees	(26,896)
Cash payments to suppliers for goods and services	<u>(176,465)</u>
Net cash provided (used) by operating activities	<u>64,179</u>
Cash flows from capital and related financing activities:	
Acquisition and construction of capital assets	(130,030)
Principal paid on capital debt	(33,000)
Interest paid on capital debt	(6,384)
Payments received on special assessments	18,709
Interest earned on special assessments	4,382
Payments received for water line connections	<u>14,850</u>
Net cash used by capital and related financing activities	<u>(131,473)</u>
Cash flows from investing activities:	
Interest received	18,483
Net expenditures for investments	<u>(100,212)</u>
Net cash provided by investing activities	<u>(81,729)</u>
Net increase (decrease) in cash and cash equivalents	(149,023)
Cash and cash equivalents, beginning of year	<u>649,739</u>
Cash and cash equivalents, end of year	<u>\$ 500,716</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:	
Operating income (loss)	\$ 10,983
Adjustments:	
Depreciation	56,490
Change in assets and liabilities:	
Accounts receivable	347
Special assessments receivable	2,017
Accrued interest receivable	(1,467)
Inventory	760
Accounts payable and accrued expenses	<u>(4,951)</u>
Net cash provided (used) by operating activities	<u>\$ 64,179</u>

The accompanying notes are an integral part of these financial statements.

TOWNSHIP OF SWAN CREEK

FIDUCIARY FUND

STATEMENT OF NET ASSETS

March 31, 2007

Assets:

Cash and cash equivalents	\$ 837
Total assets	837

Liabilities:

Undistributed property tax collections	837
Total liabilities	837

Net Assets:

Unrestricted	-
Total net assets	\$ -

The accompanying notes are an integral part of these financial statements.

TOWNSHIP OF SWAN CREEK

NOTES TO FINANCIAL STATEMENTS

March 31, 2007

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Township of Swan Creek conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The following is a summary of the significant accounting policies:

Reporting Entity:

As required by accounting principles generally accepted in the United States of America, the financial statements of the reporting entity include those of the Township. In evaluating the Township as a reporting entity, management has addressed all potential component units (traditionally separate reporting entities) for which the Township may be financially accountable and, as such, should be included within the Township's financial statements. The Township (the primary government) has no component units and accordingly, the Township has not consolidated any entities into its financial statements.

JOINT OPERATIONS:

St. Charles District Library - The Townships of Swan Creek, Brant, and St. Charles jointly established the St. Charles District Library in 1978. Each township appoints two members to serve as Library trustees.

Tri-Township Fire Department - The Townships of Swan Creek, Brant, and St. Charles jointly established the Tri-Township Fire Department. Each member appoints two representatives to serve on the administrative board of the Fire Department.

Swan Creek Township, James Township, and Village of St. Charles Water Authority - The Townships of Swan Creek and James and the Village of St. Charles in 2001 jointly established this Water Authority. Each of the three municipalities appoints two members to serve on the Water Authority Board. The operating and capital budgets are funded by equal contributions from each governmental unit. Each unit's share of assets, liabilities, and fund equity is thirty-three and a third percent.

Mid-Michigan Waste Management Authority - The Township is a member of, and receives trash collection services from, the Mid-Michigan Waste Management Authority. The Authority was created in 1991 by twelve municipal corporations within Saginaw County under the provisions of Act 233, Public Acts of Michigan, 1995 as amended, for the purpose of acquiring, owning, improving, enlarging, extending and operating a solid waste management system.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation:

The accounts of the Township are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

TOWNSHIP OF SWAN CREEK

NOTES TO FINANCIAL STATEMENTS, CONTINUED

March 31, 2007

Government-wide Financial Statements:

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The statement of net assets and the statement of activities report information on all of the nonfiduciary activities of the primary government and its component units. These statements distinguish between activities that are governmental and those that are business-type activities. Internal service fund activity is eliminated to avoid “doubling up” revenues and expenses.

The statement of net assets presents governmental activities on a consolidated basis, using the economic resources measurement focus and accrual basis of accounting. This method recognizes all long-term assets and receivables as well as long-term debt and obligations. The Township’s net assets are reported in three parts (1) invested in capital assets, net of related debt, (2) restricted net assets, and (3) unrestricted net assets. The Township first utilizes restricted resources to finance qualifying activities.

The statement of activities reports both the gross and net cost of each of the Township’s functions. The functions are also supported by general government revenues (property taxes, certain intergovernmental revenues, fines, permits and charges, etc.). The statement of activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function. Operating grants include operating-specific and discretionary (either operating or capital) grants.

The net costs (by function) are normally covered by general revenue (property taxes, state sources and federal sources, interest income, etc.). The Township does not allocate indirect costs. In creating the government-wide financial statements the Township has eliminated interfund transactions.

The government-wide focus is on the sustainability of the Township as an entity and the change in the Township’s net assets resulting from current year activities.

Fund Financial Statements:

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

TOWNSHIP OF SWAN CREEK

NOTES TO FINANCIAL STATEMENTS, CONTINUED

March 31, 2007

Property taxes, franchise fees, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met. Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. All other revenue items are considered to be measurable and available only when cash is received by the government.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the proprietary funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. When both restricted and unrestricted resources are available for use, it is the Township's policy to use restricted resources first, then unrestricted resources as they are needed.

Fiduciary funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The Fiduciary funds are accounted for on a spending or economic resources measurement focus and the accrual basis of accounting as are the proprietary funds.

The Township reports the following major governmental funds:

The **General Fund** is the primary operating fund of the Township. It is used to account for all financial resources, except for those required to be accounted for in another fund.

The **Refuse Fund** is used to account for the revenues collected to provide refuse service to property owners.

The Township reports the following major enterprise fund:

The **Water Fund** is used to account for the revenues and expenses for the operation of a water system.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The Township has elected not to follow subsequent private-sector guidance.

Assets, Liabilities and Equity:

Deposits and Investments – Cash and cash equivalents include cash on hand, demand deposits, certificates of deposit and short term investments with a maturity of three months or less when acquired. Investments, if any, are stated at fair value. For purposes of the statement of cash flows, the Township considers all highly liquid investments (including restricted assets) and all local government investment pools to be cash equivalents.

TOWNSHIP OF SWAN CREEK

NOTES TO FINANCIAL STATEMENTS, CONTINUED

March 31, 2007

Interfund Receivables and Payables – Generally, outstanding amounts owed between funds are classified as “due from/to other funds”. These amounts are caused by transferring revenues and expenses between funds to get them into the proper reporting fund. These balances are paid back as cash flow permits.

Inventories and Prepaid Items – Inventories are valued at cost, on a first-in, first-out basis. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Capital Assets – Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated fair market value at the date of donation. The Township defines capital assets as assets with an initial individual cost in excess of \$1,000. Costs of normal repair and maintenance that do not add to the value or materially extend asset lives are not capitalized. Public domain (infrastructure) assets (e.g., roads, bridges, sidewalks and other assets that are immovable and of value only to the government) are capitalized if acquired after April 1, 2004. Capital assets are depreciated using the straight-line method over the following useful lives:

Buildings and improvements	20-50 years
Distribution system	15-50 years
Equipment	5-25 years
Furniture and equipment	5-25 years
Site improvements	15-25 years
Vehicles	10-25 years

Compensated Absences – The Township does not allow the carryover of unused sick or vacation days.

Long-term Obligations – In the government-wide financial statements and the proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund statement of net assets.

Fund Equity – In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

Use of Estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

TOWNSHIP OF SWAN CREEK

NOTES TO FINANCIAL STATEMENTS, CONTINUED

March 31, 2007

Eliminations and Reclassifications:

In the process of aggregating data for the statement of net assets and the statement of activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column.

Property Taxes:

Township property taxes are attached as an enforceable lien on property as of July 1 for the summer levy and December 1 for the winter levy. Taxes levied July 1 and December 1 are due without penalty on or before September 14 and February 14, respectively. These tax bills include the Township's own property taxes and taxes billed on behalf of the school districts within the Township boundaries and Saginaw County.

The 2006 taxable valuation of the Township totaled \$79,475,427 on which ad valorem taxes levied consisted of .9226 mills for the Township's operating purposes and 1.50 mills for fire protection services.

The delinquent real property taxes of the Township are purchased by Saginaw County. The delinquent real property taxes are received soon enough after year end to be recorded as revenue in the current year.

NOTE 2: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information:

The Township follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The Township Clerk submits to the Township Board a proposed operating budget by fund for each year. The operating budget includes proposed expenditures and the means of financing them.
2. A public hearing is conducted to obtain taxpayer comments.
3. Prior to April 1, the budget is legally enacted by adoption of the Township Board.
4. Any revision that alters the total expenditures of any fund must be approved by the Township.
5. Formal budgetary integration is employed as a management control device during the year for all funds.
6. Governmental fund budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. A comparison of actual results of operations to the General Fund budget as originally adopted and amended by the Township Board is included in the required supplemental information.
7. All annual appropriations lapse at fiscal year end.

TOWNSHIP OF SWAN CREEK

NOTES TO FINANCIAL STATEMENTS, CONTINUED

March 31, 2007

Excess of Expenditures over Appropriations in Budgeted Funds:

During the year, the Township did not incur expenditures that were materially in excess of the amounts budgeted.

State Construction Code Act:

The Township oversees building construction, in accordance with the State's Construction Code Act, including inspection of building construction and renovation to ensure compliance with the building codes. The Township charges fees for these services. The law requires that collection of these fees be used only for construction code costs, including an allocation of estimated overhead costs. A summary of the current year activity and the cumulative surplus generated since January 1, 2000 is as follows:

Cumulative surplus at April 1, 2006	\$ -
Current year building permit revenue	10,560
Related expenditures:	
Direct costs	(19,932)
Indirect costs	-
Cumulative surplus at March 31, 2007	<u>\$ -</u>

NOTE 3: DEPOSITS AND INVESTMENTS

Michigan Compiled Laws Section 129.91 (Public Act 20 of 1943, as amended) authorizes local governmental units to make deposits and invest in the accounts of federally insured banks, credit unions, and savings and loan associations that have offices in Michigan. The local unit is allowed to invest in bonds, securities, and other direct obligations of the United States or any agency of instrumentality of the United States; repurchase agreements; bankers' acceptances of United States banks; commercial paper rated within the two highest classifications, which matures not more than 270 days after the date of purchase; obligations of the State of Michigan or its political subdivisions, which are rated as investment grade; and mutual funds composed of investment vehicles that are legal for direct investment by local units of government in Michigan.

The investment policy adopted by the Township Board is in accordance with Public Act 196 of 1997. The Township's deposits and investments have been made in accordance with statutory authority.

The Township's deposits are subject to several types of risk, which are presented in more detail as follows:

Custodial Credit Risk of Bank Deposits:

Custodial credit risk is the risk that in the event of a bank failure, the Township's deposits may not be returned to them. The Township does not have a deposit policy for custodial credit risk. At year end, the Township had \$1,391,338 of deposits (certificates of deposit, checking, and savings accounts), of which \$424,338 was covered by federal depository insurance and the remainder was uninsured and uncollateralized.

TOWNSHIP OF SWAN CREEK

NOTES TO FINANCIAL STATEMENTS, CONTINUED

March 31, 2007

Custodial Credit Risk of Investments:

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Township will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Township does not have a policy for custodial risk. At year end, the following investment securities were uninsured and unregistered, with securities held by the counterparty or by its trust department or an agent in the Township's name:

<u>Investment</u>	<u>Carrying Value</u>	<u>How Held</u>
Federal National Mortgage Association Benchmark Note	\$ 84,992	Counterparty
Treasury and Agency Mutual Fund	396,739	Counterparty

Interest Rate Risk:

Interest rate risk is the risk that the value of investments will decrease as a result of a rise in interest rates. The City's investment policy does not restrict investment maturities, other than commercial paper which can only be purchased with a maximum 270 day maturity. At year end, the average maturities of investments are as follows:

<u>Investment</u>	<u>Fair Value</u>	<u>Maturity</u>
Federal National Mortgage Association Benchmark Note	\$ 84,992	16 days

Credit Risk:

As of year end, the credit quality ratings of debt securities are as follows:

<u>Investment</u>	<u>Fair Value</u>	<u>Rating</u>	<u>Organization</u>
Federal National Mortgage Association Benchmark Note	\$ 84,992	AAA	S&P
Treasury and Agency Mutual Fund	396,739	AAA	S&P

Concentration of Credit Risk:

The Township places limits on the amount the Township may invest in any one issuer. At March 31, 2007, there were no investments in any one issuer (other than the U.S. government agencies and mutual funds) that exceeded more than 5 percent of total investments.

NOTE 4: RESTRICTED CASH AND RESERVE FOR DEBT SERVICE

The Water Fund has \$49,460 of restricted cash in the water extension debt service accounts.

TOWNSHIP OF SWAN CREEK

NOTES TO FINANCIAL STATEMENTS, CONTINUED

March 31, 2007

NOTE 5: CAPITAL ASSETS

Primary Government capital asset activity for the year ended March 31, 2007 was as follows:

	<i><u>Beginning Balance</u></i>	<i><u>Additions</u></i>	<i><u>Retirements</u></i>	<i><u>Ending Balance</u></i>
Governmental activities:				
Nondepreciable capital assets:				
Land	\$ 121,322	\$ -	\$ -	\$ 121,322
Depreciable capital assets:				
Buildings and improvements	125,758	-	-	125,758
Equipment	39,678	28,391	(15,018)	53,051
Site Improvements	14,685	-	-	14,685
Total depreciable capital assets	180,121	28,391	(15,018)	193,494
Accumulated depreciation	(45,717)	(9,696)	3,254	(52,159)
Depreciable capital assets, net	134,404	18,695	(11,764)	141,335
Governmental activities, capital assets, net	<u>\$ 255,726</u>	<u>\$ 18,695</u>	<u>\$ (11,764)</u>	<u>\$ 262,657</u>
Business-type activities:				
Depreciable capital assets				
Buildings and improvements	7,700	-	-	7,700
Equipment	43,748	-	-	43,748
Distribution system	3,359,667	130,030	-	3,489,697
Total capital depreciable assets	3,411,115	130,030	-	3,541,145
Accumulated depreciation	(793,852)	(56,490)	-	(850,342)
Depreciable capital assets, net	2,617,263	73,540	-	2,690,803
Business-type activities, capital asseets, net	<u>\$ 2,617,263</u>	<u>\$ 73,540</u>	<u>\$ -</u>	<u>\$ 2,690,803</u>

Depreciation expense was charged to functions as follows:

Governmental activities:	
General government	\$ 5,995
Public works	160
Public works	<u>3,541</u>
Total governmental activities	<u>\$ 9,696</u>
Business-type activities:	
Water	<u>\$ 56,490</u>
Total business-type activities	<u>\$ 56,490</u>

TOWNSHIP OF SWAN CREEK

NOTES TO FINANCIAL STATEMENTS, CONTINUED

March 31, 2007

NOTE 6: LONG-TERM LIABILITIES

The Township has installment contracts with Saginaw County that were used to finance water line construction. Installment contracts are general obligations, which are direct obligations of the government and pledge the full faith and credit of the Township.

Long-term liabilities at March 31, 2007 consisted of the following:

<u>Types of Indebtedness</u>	<u>Maturity</u>	<u>Interest Rates</u>	<u>Annual Principal Installments</u>	<u>Original Issue Amount</u>	<u>Remaining Balance at Year-end</u>
<u>Business-type Activities</u>					
<u>Contracts Payable:</u>					
1996 Issue - Water extension # 15	6/1/06-6/1/11	5.20-5.75%	20,000	280,000	100,000

The following is a summary of long-term liabilities transactions for the year ended March 31, 2007:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Business-type activities:					
Contract Payable:					
1992 Issue - Water extension # 12	\$ 13,000	\$ -	\$ (13,000)	\$ -	\$ -
1996 Issue - Water extension # 15	<u>120,000</u>	<u>-</u>	<u>(20,000)</u>	<u>100,000</u>	<u>20,000</u>
Total business-type activities					
- long-term liabilities	<u>\$ 133,000</u>	<u>\$ -</u>	<u>\$ (33,000)</u>	<u>\$ 100,000</u>	<u>\$ 20,000</u>

Annual debt service requirements to maturity for the above contractual obligations are as follows:

<u>Year Ended March 31,</u>	<u>Business-type Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2008	\$ 20,000	\$ 5,050	\$ 25,050
2009	20,000	3,960	23,960
2010	20,000	2,850	22,850
2011	20,000	1,720	21,720
2012	<u>20,000</u>	<u>575</u>	<u>20,575</u>
	<u>\$ 100,000</u>	<u>\$ 14,155</u>	<u>\$ 114,155</u>

3TOWNSHIP OF SWAN CREEK

NOTES TO FINANCIAL STATEMENTS, CONTINUED

March 31, 2007

NOTE 7: DISAGGREGATED RECEIVABLE AND PAYABLE BALANCES

Receivables and payables as of year end for the Township's governmental and business-type activities in the aggregate are as follows:

	<i><u>Governmental Activities</u></i>	<i><u>Business-type Activities</u></i>
Receivables:		
Taxes	\$ 11,937	\$ -
Special assessments		
Due within one year	-	14,068
Due in more than one year	-	40,930
Interest	3,277	3,509
Accounts	6,030	23,837
Intergovernmental	<u>26,448</u>	<u>-</u>
 Total receivables	 <u>\$ 47,692</u>	 <u>\$ 82,344</u>
 Accounts payable and accrued expenses:		
Accounts	\$ 16,632	\$ 8,743
Payroll and related liabilities	10,711	2,991
Interest	-	1,863
Deposits payable	50,922	1,100
Intergovernmental	<u>6,799</u>	<u>-</u>
 Total accounts payable and accrued expenses	 <u>\$ 85,064</u>	 <u>\$ 14,697</u>

NOTE 8: RISK MANAGEMENT

The Township is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, employee injuries (workers' compensation), and natural disasters.

The Township manages its workers compensation risk by purchasing commercial insurance and its liability and property risk by participating in the Michigan Township Participating Plan a public entity risk pool providing property and liability coverage to its participating members. The Township pays an annual premium for its workers compensation, property and liability insurance coverage. The Michigan Township Participating Plan is self-sustaining through member premiums. The Michigan Township Participating Plan provides, subject to certain deductibles, occurrence-based casualty coverage for each incident and occurrence-based property coverage to its members by internally assuring certain risks and reinsuring risks through commercial companies. Various deductibles are maintained to place the responsibility for small charges with the insured. Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three fiscal years.

TOWNSHIP OF SWAN CREEK

NOTES TO FINANCIAL STATEMENTS, CONTINUED

March 31, 2007

NOTE 9: EMPLOYEE RETIREMENT AND BENEFIT SYSTEMS

1. Michigan Municipal Employees Retirement System

a) Plan Description

The Township contributes to the Michigan Municipal Employees' Retirement System, an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for governmental units in the State of Michigan. The system provides the following provisions: normal retirement, deferred retirement, service retirement allowance, disability retirement allowance, non duty-connected death and postretirement adjustments to plan members and their beneficiaries.

All employees earning more than \$5,000 in compensation with more than three months continuous service are eligible to participate in the plan. Benefits vest after 8 years of service. The service requirement is computed using credited service at the time of termination of membership multiplied by the sum of 2.0 percent times the final average compensation (FAC). The most recent period of which actuarial data was available was for the fiscal year ended December 31, 2005.

MERS was organized pursuant to Section 12a of Act #156, Public Acts of 1851 [MSA 5.333(a); MCLA 46.12 (a)], as amended, State of Michigan. MERS is regulated under Act No. 220 of the Public Acts of 1996, as amended, sections of which have been approved by the State Pension Commission. MERS issues a publicly available financial report that includes financial statements and required supplementary information for the system. That report may be obtained by writing to the MERS at 447 North Canal Street, Lansing, Michigan 48917-9755.

b) Funding Policy

The obligation to contribute to and maintain the system for these employees was established by negotiation with the Township board and personnel policy, which requires employees to contribute at a rate of 5% of gross pay. The Township is required to contribute at an actuarially determined rate; the current rate was 10.82 percent of eligible payroll based on the December 31, 2004 valuation.

c) Annual Pension Cost

During the fiscal year ended March 31, 2007, the Township's contributions totaling \$12,687 were made in accordance with contribution requirement determined by an actuarial valuation of the plan as of December 31, 2004. The employer contribution rate has been determined based on the entry age normal funding method. Under the entry age normal cost funding method, the total employer contribution is comprised of the normal cost plus the level annual percentage of payroll payment required to amortize the unfunded actuarial accrued liability over 30 years. The employer normal cost is, for each employee, the level percentage of payroll contribution (from entry age to retirement) required to accumulate sufficient assets at the member's retirement to pay for his projected benefit. Significant actuarial assumptions used include a long-term investment yield rate of 8 percent and annual salary increases of 4.5 percent based on an age-related scale to reflect merit, longevity, and promotional salary increases.

TOWNSHIP OF SWAN CREEK

NOTES TO FINANCIAL STATEMENTS, CONTINUED

March 31, 2007

d) Three Year Trend Information

<i>Fiscal year ended March 31,</i>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Annual pension cost	\$ 12,687	\$ 13,476	\$ 12,499
Percentage of APC contributed	100%	100%	100%
Net pension obligation	-	-	-

Post Employment Benefits:

The Township has no post employment benefits other than the pension plan described above.

NOTE 10: FUND EQUITY

Specific reservations of fund equity include:

Reserved for prepaid expenditures – This reserve was created to indicate that the portion of fund balance represented by prepaid expenditures is not available for appropriation.

REQUIRED SUPPLEMENTAL INFORMATION

TOWNSHIP OF SWAN CREEK

GENERAL FUND

BUDGETARY COMPARISON SCHEDULE

Year Ended March 31, 2007

	<i>Budgeted Amounts</i>			<i>Actual Over (Under)</i>
	<i>Original</i>	<i>Final</i>	<i>Actual</i>	<i>Final Budget</i>
Revenues:				
Property taxes	\$ 199,140	\$ 199,140	\$ 209,500	\$ 10,360
Licenses and permits	30,560	30,560	29,766	(794)
State grants	164,100	164,100	176,810	12,710
Charges for services	2,840	2,840	4,219	1,379
Fines and forfeits	-	-	247	247
Interest and rents	7,700	7,700	37,827	30,127
Other revenue	3,300	3,300	16,814	13,514
Total revenues	407,640	407,640	475,183	67,543
Expenditures:				
Current				
General government	245,666	245,666	208,435	(37,231)
Public safety	136,764	136,764	133,825	(2,939)
Public works	165,670	165,670	117,489	(48,181)
Community and economic development	10,505	10,505	5,771	(4,734)
Recreation	22,635	22,635	21,387	(1,248)
Capital outlay	32,400	32,400	31,877	(523)
Total expenditures	613,640	613,640	518,784	(94,856)
Excess (deficiency) of revenues over expenditures	(206,000)	(206,000)	(43,601)	162,399
Fund balance, beginning of year	865,298	865,298	865,298	-
Fund balance, end of year	\$ 659,298	\$ 659,298	\$ 821,697	\$ 162,399

TOWNSHIP OF SWAN CREEK

SPECIAL REVENUE FUND – REFUSE FUND **BUDGETARY COMPARISON SCHEDULE**

Year Ended March 31, 2007

	<i>Budgeted Amounts</i>			<i>Actual Over (Under) Final Budget</i>
	<i>Original</i>	<i>Final</i>	<i>Actual</i>	
Revenues:				
Charges for services	\$ 95,500	\$ 95,500	\$ 85,870	\$ (9,630)
Interest and rents	<u>1,500</u>	<u>1,500</u>	<u>5,592</u>	<u>4,092</u>
Total revenues	<u>97,000</u>	<u>97,000</u>	<u>91,462</u>	<u>(5,538)</u>
Expenditures:				
Current				
Public works	<u>92,685</u>	<u>92,685</u>	<u>83,817</u>	<u>(8,868)</u>
Total expenditures	<u>92,685</u>	<u>92,685</u>	<u>83,817</u>	<u>(8,868)</u>
Excess (deficiency) of revenues over expenditures	4,315	4,315	7,645	3,330
Fund balance, beginning of year	<u>214,136</u>	<u>214,136</u>	<u>214,136</u>	<u>-</u>
Fund balance, end of year	<u><u>\$ 218,451</u></u>	<u><u>\$ 218,451</u></u>	<u><u>\$ 221,781</u></u>	<u><u>\$ 3,330</u></u>

TOWNSHIP OF SWAN CREEK

PENSION SYSTEM SCHEDULE OF FUNDING PROGRESS

March 31, 2007

The schedule of funding progress of the Swan Creek Township Defined Benefit Pension Plan, administered by the Michigan Municipal Employee Retirement System, is as follows:

<i>Actuarial Valuation Date</i>	<i>12/31/05</i>	<i>12/31/04</i>	<i>12/31/03</i>
Actuarial Value of Assets	\$ 264,406	\$ 232,766	\$ 203,317
Actuarial Accrued Liability (AAL)	428,944	373,575	334,173
Unfunded AAL (UAAL)	164,538	140,809	130,856
Funded Ratio	62%	62%	61%
Covered Payroll	116,993	106,914	99,863
UAAL as a percentage of covered payroll	141%	132%	131%

OTHER SUPPLEMENTAL INFORMATION

TOWNSHIP OF SWAN CREEK

GENERAL FUND

DETAILED STATEMENT OF REVENUES

Year Ended March 31, 2007

REVENUES:

Current Taxes:

Property taxes	\$ 184,771
Penalties and interest on taxes	2,672
Administration fees	22,017
Payment in lieu of taxes	40
	<u>209,500</u>

Licenses and permits:

Business licenses and permits	425
Nonbusiness licenses and permits	10,560
CATV franchise fees	18,781
	<u>29,766</u>

State Grants:

Liquor license fees	1,107
State revenue sharing - sales tax	161,092
Metro Act	4,176
State contribution - election equipment	6,850
Summer property tax collection reimbursement	3,585
	<u>176,810</u>

Charges for services:

Zoning/Variance/Appeals fees	2,700
Other	519
Charges to other funds	1,000
	<u>4,219</u>

Fines and forfeits:

Ordinance fines	197
Other	50
	<u>247</u>

Interest and rents:

Interest	37,227
Rents	600
	<u>37,827</u>

Other Revenue:

Sale of fixed assets	12,549
Cemetery lots	2,750
Contributions and donations	1,495
Refunds and rebates	20
	<u>16,814</u>

Total revenues	<u><u>\$ 475,183</u></u>
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TOWNSHIP OF SWAN CREEK

GENERAL FUND

DETAILED STATEMENT OF EXPENDITURES

For the Year Ended March 31, 2007

EXPENDITURES:

General Government:

Board:

Personnel	\$ 3,565
Fringe benefits	286
Education and training	315
	<u>4,166</u>

Supervisor:

Personnel	13,167
Fringe benefits	2,467
	<u>15,634</u>

Office Administration and Accounting:

Personnel	45,509
Fringe benefits	8,786
Supplies	3,204
Contracted services	3,793
Telephone	4,600
Mileage	1,177
Dues and memberships	1,554
Education and training	876
Printing and publications	1,771
Insurance	10,446
Utilities	4,845
	<u>86,561</u>

Clerk:

Personnel	13,368
Fringe benefits	2,467
Mileage	661
Dues and memberships	25
Education and training	830
	<u>17,351</u>

Audit:

Contracted services	<u>2,300</u>
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Board of Review:

Personnel	888
Fringe benefits	57
Education and training	10
Printing and publications	142
	<u>1,097</u>

TOWNSHIP OF SWAN CREEK

GENERAL FUND

DETAILED STATEMENT OF EXPENDITURES, CONTINUED

For the Year Ended March 31, 2007

General Government, continued:

Treasurer:

Personnel	22,819
Fringe benefits	4,191
Supplies	5,236
Contracted services	213
Mileage	361
Dues and memberships	85
Education and training	821
Other	31
	<hr/>
	33,757

Assessor:

Contracted services	<hr/>
	9,875

Elections:

Personnel	1,360
Fringe benefits	251
Supplies	1,652
Contracted services	2,730
Mileage	84
Printing and publications	411
	<hr/>
	6,488

Hall and Grounds:

Personnel	5,281
Fringe benefits	404
Supplies	789
Contracted services	908
Mileage	58
Repairs and maintenance	5,416
	<hr/>
	12,856

Attorney:

Contracted services	<hr/>
	11,889

Cemetery:

Personnel	3,851
Fringe benefits	294
Supplies	1,316
Contracted services	83
Printing and publications	33
Repairs and maintenance	884
	<hr/>
	6,461

Total general government	<hr/>
	208,435

TOWNSHIP OF SWAN CREEK

GENERAL FUND

DETAILED STATEMENT OF EXPENDITURES, CONTINUED

For the Year Ended March 31, 2007

Public Safety:

Liquor Law Enforcement:

Personnel	1,107
Fringe benefits	204
	<hr/>
	1,311

Fire:

Contracted services	112,582
	<hr/>
	112,582

Building Inspection Department:

Personnel	16,991
Fringe benefits	2,332
Supplies	132
Telephone	132
Mileage	67
Dues and memberships	100
Education and training	178
	<hr/>
	19,932

Total public safety	<hr/>
	133,825

Public Works:

Roads:

Personnel	95
Fringe benefits	13
Contracted services	112,853
Printing and publishing	63
	<hr/>
	113,024

Drains - Public Benefit:

Personnel	450
Fringe benefits	31
Mileage	239
Education and training	4
	<hr/>
	724

Street Lights:

Utilities	3,741
	<hr/>
Total public works	117,489

TOWNSHIP OF SWAN CREEK

GENERAL FUND

DETAILED STATEMENT OF EXPENDITURES, CONTINUED

For the Year Ended March 31, 2007

Community and Economic Development:

Planning Commission

Personnel	2,447
Fringe benefits	260
Supplies	99
Contracted services	1,419
Mileage	154
Education and training	1,090
Printing and publications	302
	<u>5,771</u>

Total community and public development	<u>5,771</u>
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Recreation:

Parks and Recreation:

Personnel	11,647
Fringe benefits	889
Supplies	3,174
Contracted services	2,675
Printing and publications	23
Utilities	424
Repairs and maintenance	2,213
Equipment rental	342
	<u>21,387</u>

Total recreation	<u>21,387</u>
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Capital Outlay:

General government	26,067
Recreation	<u>5,810</u>
Total capital outlay	<u>31,877</u>

Total expenditures	<u>\$ 518,784</u>
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TOWNSHIP OF SWAN CREEK

FIDUCIARY FUND – AGENCY FUND

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

For the Year Ended March 31, 2007

	<i>April 1, 2006</i>	<i>Additions</i>	<i>Deductions</i>	<i>March 31, 2007</i>
<u>CURRENT TAX COLLECTION</u>				
Assets:				
Cash and cash equivalents	\$ -	\$ 2,220,794	\$ 2,219,957	\$ 837
Liabilities:				
Undistributed property tax collections	\$ -	\$ 2,220,794	\$ 2,219,957	\$ 837

TOWNSHIP OF SWAN CREEK

BUSINESS-TYPE ACTIVITIES

SCHEDULE OF INDEBTEDNESS

March 31, 2007

1996 CONTRACT PAYABLE - WATER EXTENSION # 15

Issue dated 6/01/96 in the amount of \$ 280,000

Less: Principal paid in prior years (160,000)
Principal paid in current year (20,000)

Balance payable at March 31, 2007 \$ 100,000

Balance payable as follows:

<u>Year Ended</u>	<u>Rate</u>	<u>Interest Due</u>		<u>Principal Due</u>	<u>Total Annual Requirement</u>
		<u>6/1</u>	<u>12/1</u>	<u>6/1</u>	
2008		\$ 2,795	\$ 2,255	\$ 20,000	\$ 25,050
2009		2,255	1,705	20,000	23,960
2010		1,705	1,145	20,000	22,850
2011		1,145	575	20,000	21,720
2012		<u>575</u>	<u>-</u>	<u>20,000</u>	<u>20,575</u>
		<u>\$ 8,475</u>	<u>\$ 5,680</u>	<u>\$ 100,000</u>	<u>\$ 114,155</u>